

**Final Report
of the Joint Committee on Consolidation
April 10, 2013**

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1. Executive Summary

A Joint Committee on Consolidation of the Central Vermont Regional Planning Commission (CVRPC) and the Central Vermont Economic Development Corporation (CVEDC) is recommending merger of the two organizations with the resulting entity being known as the Central Vermont Regional Commission (CVRC).

CVRC is the working name that the Consolidation Committee created for the merged organization. To create the organizational structure several models were evaluated. The Consolidation Committee members have a combined 180 years serving on the boards of various community and non-profit organizations, and this experience proved invaluable. Early in the process the Consolidation Committee determined that we should create an organizational structure that best served the mission. The Consolidation Committee looked at organizational models that kept the economic development and planning functions separated and felt that a model such as that might be more readily accepted, but the result was more like co-location than consolidation. Those models were rejected in favor of the model contained in this report.

The Consolidation Committee looked into the make-up of both organizations. The current CVRPC consists of 23 municipal representatives who have various statutory obligations which, by law, must be decided by those 23 representatives. CVRPC has an executive committee of seven and multiple committees below that to perform various functions. CVRPC does not currently allow “at-large” members, although they have in years past. When at-large members did exist they were not entitled to vote on those issues that are the statutory obligation of the municipal representatives. CVRPC has from time to time experienced a lack of attendance at their monthly meetings, and has been looking at ways to increase participation and energy. Five of the 23 towns in the Region currently have no appointed representative, and three appointed commissioners are considered inactive as they attended no more than one of the last 18 monthly meetings. Average attendance by active representatives over the last 18 months has been 72%. Including vacant seats and inactive members, that attendance drops to 47%. *(As of April 10, 2013, 22 of the 23 municipalities have appointed Commissioners to CVRPC.)*

CVEDC currently has a governing board of up to 35 members with an executive committee of 7, and, like CVRPC, various other working committees. Their membership is open to all businesses, municipalities, non-profit organizations, and individuals with a dues structure based on the size of the entity applying for membership. Their current dues paying membership consists of approximately 130. CVEDC does not have statutory obligations that impact their activities. Over the last 18 months attendance at their monthly board meetings has averaged 75% of the current member board. CVEDC enjoys wide participation from their members on various committees.

When designing the Central Vermont Regional Commission (CVRC), the Consolidation Committee considered that the Commission will have statutory obligations as a Regional Planning Commission representing 23 municipalities, and other duties that are not limited to the 23 municipal representatives. As a merged entity, members of the economic development community need to be represented, and after much discussion it was decided that 9 seats would be held by Economic Development Committee members. The Consolidation Committee also felt strongly that community involvement is very important

to both regional planning and economic development. The Consolidation Committee discussed having a membership structure similar to the CVEDC (CVRPC has no mechanism wherein an outside individual, group, non-profit or other entity can become a member). To encourage the membership it was decided that three at-large director seats would be created to allow any member to rise to the level of director.

Many pros and cons were discussed and particular concern was raised that the review of Act 250 and Section 248 projects, which is a statutory function of regional planning, has the potential for conflict between planners and the development community. The historical reality is that these conflicts have rarely occurred, and the merged organization would result in more collaboration between the groups. This will lead to better project design, better review of infrastructure, better siting of larger projects and, ultimately, less demand for the extension of infrastructure and municipal services. This is what both planners and economic development community desire: lower costs to support anticipated growth, less conflict and more predictability in the permitting process, and a better quality of life.

The information contained in this report is intended to provide stakeholders and constituents of both organizations the information necessary to decide if they believe the merged commission will provide better service, energize the membership, and improve coordination between planning and economic development in Central Vermont.

The Committee finalized the report on April 10, 2013 and voted 9 yeas to 1 no to support the merger and to recommend to the Executive Committees of both organizations that they move forward with the "Next Steps" as outlined in this Report. David Strong cast the "no" vote and a statement explaining his position appears as Appendix C.

2. Acknowledgements

The Consolidation Committee wishes to thank the staffs of the CVRPC and of the CVEDC for helping assemble the data necessary for the Committee's work, in particular the efforts of Laurie Emery, Susan Sinclair and Sam Andersen. Also the Committee would like to thank Paul Gillies for his pro bono assistance in drafting bylaws; Steve Patterson for sharing his experience at the Northeastern Vermont Economic Development Association; Union Mutual of Vermont for loaning a conference room for the Committee's deliberations; William McMaster for his observations on the Committee's meeting process; Patricia Moulton-Powden for her input from the Agency of Commerce and Community Development; Patricia McDonald, Skip Bancroft, Robert Wernecke, Larry Hebert, Josh Fitzhugh, and Gunner McCain for their pioneering work on this issue before the Consolidation Committee was appointed.

3. The Case for Merger

Why should the Central Vermont Economic Development Corporation (CVEDC) merge into the Central Vermont Regional Planning Commission (CVRPC)? Might anything be lost in this combination?

A majority of the Joint Committee which has met every other week for almost a year believes the benefits of merger are compelling. To the extent there are negative consequences, the majority feel they can be minimized or are completely offset by other positive consequences.

What are the principal benefits?

First, we believe that by combining the two organizations under one roof there will be more coordination between development and planning and that Central Vermont will be the beneficiary of that coordination. Too often in any major project, those interested in development are at loggerheads with planners and municipal leaders. We feel that putting CVEDC and CVRPC together will allow that conversation to proceed in a more reasoned and cooperative fashion. It's worth noting that most regional planning commissions around the country have economic development functions, and a recent National Association of Development Organizations (NADO) study criticized Vermont's regional planning commissions for not doing this.

The Northeastern Vermont Development Association (NVDA) is the only entity in Vermont which does combine planning and economic development under one roof. The prior committee met with Steve Patterson, Executive Director of NVDA. A majority of the Committee feels the NVDA addresses a fundamental criticism of the NADO report: "[Vermont] appears to lack the organizational capacity, diversity of programs and services, financial resources and organizational scale necessary...to realistically drive regional innovation and growth on a consistent basis statewide."

Second, we believe that combining the two organizations sends a great signal to the public and to the business community that Central Vermont is interested in taking a holistic approach to planning and development, that it sees these processes not as adversaries, but as two sides of the same coin with an avowed desire to work together to achieve the best result for our communities and enterprises which wish to invest in them.

Third, we believe that over time combining these two organizations will reduce the cost to taxpayers supporting both organizations. The savings will come from reduced office and payroll expenses and enhanced grant and member income.

Fourth, by creating a dynamic organization as envisioned in the attached bylaws, we believe the new organization will attract highly qualified and motivated directors and employees, which in turn will improve our efforts in planning and development, all to the benefit of Central Vermont.

Fifth, by merging CVEDC into CVRPC, we minimize the cost of combining the two organizations, as all that is needed is a change to CVRPC's bylaws and a decision by CVEDC to merge. To maintain its current powers, CVRPC must remain a statutory organization; CVEDC, as a non-profit corporation, has more flexibility which is why in a merger CVRPC would be the surviving entity.

Sixth, we believe merger will enhance a regional approach to development and planning, a doctrine upon which both organizations were founded. Calling the new organization the “Central Vermont Regional Commission” will further that impact.

What are the concerns and how have they been addressed or minimized?

At CVEDC, there is concern about the loss of independence; about the loss of a focus on economic development; and about the loss of control over a carefully maintained asset base. At CVRPC there is concern about loss of control by member towns; about conflicts of interest; about the Economic Development Committee acting as a unified bloc; and about the size of the Commission.

Regarding loss of independence, the Committee has worked hard to fashion bylaws which give voice to the development and municipal constituencies within the framework of CVRPC’s statutory structure. So while it is true the member towns will have a majority of votes on the Commission, the Economic Development group will have its own self-perpetuating committee and nine votes on the 35 member Commission. Many business oriented persons are presently and will likely continue to be municipal directors of the Commission, just as many Economic Development Directors are and will continue to be active in town affairs. The Commission will not be a group of “Either/Or’s,” but rather a combination of community leaders with shared interests but slightly different foci.

It is worth noting some further safeguards in the proposed bylaws. On certain committees, as required by statute, only municipal directors would be entitled to vote. On other critical committees, like Nominating and Executive, participation by an economic development director is required. Certain amendments to the bylaws will require the approval of the Economic Development Committee.

Regarding size of the Commission, the Committee was constrained by keeping within CVRPC’s statutory requirement that member municipalities all be represented, which thus required at least 23 directors. We felt that any fewer than 9 economic development directors would disrespect the policy and financial contribution CVEDC is making to the new organization. Adding three at-large directors offered a way of involving members of the Commission and reaching out to the greater Central Vermont community. At 35 directors, the Regional Commission would be no larger than CVEDC’s current board which seems to function well under good leadership.

Like any organization which seeks to involve many people yet act to get things done, conflicts of interest are bound to occur, but the Committee feels they can be addressed on a case by case basis as they arise with appropriate guidelines. The proposed bylaws address conflicts of interests in Article IX.

Finally, the Committee addressed the concerns regarding each company’s assets from a CVEDC/CVRPC merger. We discussed whether some kind of a “hold-back” was appropriate until each party to the merger knew the “marriage” would survive. At the end of the day, the Committee concluded that we had to trust the commitment to the merger and to the proposed bylaws, and to a rigorous and transparent accounting system that would use and abide by budgets and would accurately and promptly report all income and expenditures to the directors of the new organization.

No matter how well planned or diagnosed, combining CVEDC and CVRPC requires a leap of faith by both organizations that the future can be better than the past. The expression “Nothing ventured, nothing gained” comes to mind. A majority of the Committee believes, for the reasons set forth above, that this venture is well worth taking.

4. The Committee and its Process

The Joint Committee on Consolidation was formed by the board of directors of the Central Vermont Economic Development Corporation and the board of commissioners of the Central Vermont Regional Planning Commission to investigate the feasibility of joining the two organizations with the intent of increasing service delivery for the Region's municipalities and businesses.

Initially, the idea came about as a result of the Vermont Legislature enacting "Challenges for Change" in 2010. "Challenges" directed regional development corporations and regional planning commissions to consider the possibility of merging in order to provide more efficient delivery of services.

The 2 organizations formed a committee to look into co-locating or consolidation and what might be achieved. This initial committee had 3 representatives from each organization as members. They met 6 times and recommended that the 2 organizations pursue consideration of consolidation believing that there was value in consolidating. As a result of this recommendation, in January 2012 both organizations appointed members to the Joint Committee on Consolidation.

The charge to the Consolidation Committee from the Central Vermont Economic Development Corporation board was: ***"to continue to pursue consolidation and co-location with our existing Joint Committee members representing us."*** The charge from Central Vermont Regional Planning Commission's Commissioners was: ***to investigate, identify, and communicate to the executive committees of each organization the potential benefits and potential problems of consolidation that may not already have been identified; identify who the members of the joint committee are; determine how best the consolidation might be formed with focus on issues of mission, governance, leadership, costs, legal issues, potentially required statutory changes, organizational structure, protocol, and various other issues as may arise. In addition, determine changes to CVRPC's Bylaws that might be necessitated, impact of the existing CVRPC Bylaws on a consolidated entity, how the needs of planning and economic development will be balanced in composition of staff, and any other relevant questions or issues that arise from the investigation and subsequent input as the investigation results are reviewed by others. The committee is to report to the executive committees of both organizations as requested, or at a minimum, quarterly. Each organization will then be responsible for either presenting individually, or jointly, the results in public meetings to gain input on issues from both organizations' members and others.***

Each organization appointed 5 members to the Committee on Consolidation. The members for Central Vermont Economic Development Corporation include: Josh Fitzhugh, Peter Hood, Ed Larson, Carol Ellison, and Greg Woodworth. For Central Vermont Regional Planning Commission, the members are: Gunner McCain, Byron Atwood, David Strong, Michael Miller, and Steve Fitzhugh. A brief biography for each member is found in the Appendix A of this report.

The Committee met 24 times between March 2012 and April 2013. The process for investigating consolidation has been very deliberative and thorough. After initial discussion of some of the why's and how's, the Committee suggested a name for the possible merged organization, Central Vermont Regional Commission, and developed the following mission statement to incorporate both organizations' primary mission:

“The purpose and mission of the Central Vermont Regional Commission is:

- To enhance the quality of life for the citizens of Central Vermont;**
 - To foster effective and informed local governance;**
 - To attract and retain quality jobs and businesses;**
- by means of planning and economic development.”**

As deliberations progressed, the Committee brought in outside resources to assist with their questions, process, and methodology of moving forward. Paul Gillies, Esquire, was invited to discuss bylaw issues and what would need to be done to merge the 2 organizations. Mr. Gillies was kind enough to donate his time in developing bylaws using the Regional Planning Commission's existing Bylaws as the basis for the merged organization. Several drafts were reviewed and further amended until the Committee felt comfortable with draft bylaws that would meet the needs of the new organization's membership. It is important to recognize that the new organization would need to maintain its municipal government identity as allowed by State Statute and retain its eligibility for the various grants that both organizations have been awarded over the years. Mr. Gillies also identified that there would not be any need to amend 24 VSA Chapter 117 (which enables regional planning commissions) or Chapter 76 (which enables regional development corporations) in order to merge the 2 organizations.

After four meetings, it was decided to invite a facilitator in to see if the deliberations were giving equal weight to each member's input and that issues were being thoughtfully and fairly considered. William McMaster, Community Resource Development Specialist, University of Vermont, attended the May 2, 2012 meeting as an observer. At the conclusion of the meeting, he stated that the group didn't need a facilitator, that things were running smoothly, and each member was being given equal time to present their viewpoint.

The Committee finalized the mission statement in May and continued to meet through the summer to identify possible structures that would best serve the mission statement. A draft structure was identified and the Committee agreed to invite Patricia Moulton-Powden, Deputy Secretary of the Agency of Commerce and Community Development, to share her thoughts on the concept that had been developed. It was important at this point for the Committee to have input from the State agency under which both organizations work and with whom both organizations have funding agreements.

Ms. Powden stated that a single entity performing land use and economic development planning was not an issue for the Agency. She thought the Agency would "bless" the proposal, but that the initiative had to come from the 2 organizations. She further stated that the process for review of Act 250 projects would need to be addressed so as to avoid conflicts of interest, perceived or real. She also stated that developing

a strong economic development element in the Regional Plan and in municipal plans is a plus to a combined organization.

The only funds the Committee spent were \$139 to reimburse William McMaster for his travel from Newport, Vermont to Montpelier.

The Committee identified what it hoped would be achieved through merging the 2 organizations, the pros and cons, and continued to discuss, review, and develop a possible structure, staffing, budget, and finalize bylaws. The following sections of this report will outline these proposals as developed.

5. The CVRC Bylaws Summary

To begin the process of developing by-laws, the Committee reviewed the by-laws of both organizations, and discussed the concepts contained in each that needed to be carried forward. Issues relating to fair representation, governance, statutory obligations, committee structures, funding sources, and non-profit status were among the significant issues discussed. Additionally, the Committee felt strongly that our approach should be to create the best organization possible, as opposed to creating a weaker organization, even if we felt the weaker organization would face less opposition from any stake holders who may be opposed to the consolidation.

Attorney Paul Gillies, who assisted the Committee with legal issues, prepared a working draft of by-laws, which the Committee then edited to create the proposed by-laws included as an appendix to this report, as is his memo of October 16, 2012.

The Committee recognized and acknowledged many issues as the by-laws were developed, two of which are mentioned here. The first was that there are several “correct” ways to construct the documents that were being developed, and the second was that there are various political realities that need to be addressed to make a consolidation palatable to the various stakeholder groups, be they the Regional Planning Commission, the Economic Development Corporation, local governing bodies, the Consolidation Committee, or any of the myriad special interest groups that are affected by the two organizations' activities. To that end some compromise positions were developed while maintaining the organizational strengths we were striving to achieve.

The Committee spent several meetings reviewing and editing the draft prepared by Mr. Gillies to ensure the end result was a cohesive organization that respected the concerns of all affected parties. Each of the by-law articles was vetted by the Committee, and the final draft was reviewed by Mr. Gillies. During this process it became clear that word smithing of the by-laws could become a burdensome task as there are in fact multiple correct ways that it could be done. The Committee recognizes that others may have different ideas about how some items should be worded, but felt strongly that the by-laws as drafted dealt with all issues fairly and reasonably, and are structured to allow for future amendments should the need arise.

6. CVRC Committees

The proposed composition of the various committees is detailed in the by-laws. The Consolidation Committee reviewed and discussed the make-up of each committee, and felt that the committee composition as described in the by-laws would allow input from both the planning and the economic development communities.

Nine standing committees were defined. With the exception of the Executive Committee and the Project Review Committee, no authority to make final decisions rests with the committees; rather they make recommendations to the full board, the executive committee, or the municipal directors, depending on statutory requirements and the issue at hand. Those committees are:

The Nominating committee – responsible for nominating the board officers, the at-large directors, and 3 executive committee members. Consists of the current board chair, the past board chair, and 3 others appointed by the Board. Includes at least one municipal director and one economic development committee member. This committee has no independent authority as the full Board votes on the nominations, and floor nominations are allowed should there be opposition to the slate proposed.

The Executive Committee – Responsible for administrative and personnel decisions. The committee will have one chair, two vice chairs, one from the municipal directors and one from the development directors, a secretary, a treasurer and 3 at-large members.

The Regional Plan Committee – reviews Regional Plan amendments and makes recommendations to the municipal directors. The Committee will have a majority of municipal directors. Development directors on the Committee will have voting privileges on the recommendation. This Committee has no independent authority as the municipal directors vote on the recommendation.

The Municipal Plan review Committee - reviews municipal plan amendments and makes recommendations to the municipal directors. The standing committee of 3 will include at least 2 municipal directors. The Committee can be expanded to include municipal directors of adjoining municipalities and 2 other interested directors. This Committee has no independent authority as the municipal directors vote on the recommendation.

The Project Review Committee – This Committee reviews Act 250 and Section 248 applications and provides comments to the regulators relating to conformance with the Regional Plan. There will be at least one development director on the Committee; however, the majority will be municipal directors.

The Economic Development Committee – The current 35 member Board of the Central Vermont Economic Development Corporation will become the Economic Development Committee. Their responsibilities will, in large part, re-create the functions that Central Vermont Economic Development Corporation currently performs. They will be solely responsible for filing vacancies on their Committee, and will also be responsible for appointing nine development directors to the Board.

The Brownfields Committee – Oversees brownfields funds and projects. This is a current CVRPC standing committee which reports to the Executive Committee.

The Membership Committee – Responsible for recruiting new members and energizing the Commission.

The Transportation Advisory Committee – Another existing Central Vermont Regional Planning Commission standing committee. Its structure and functions, which primarily include working with VTrans on prioritizing transportation projects and reviewing the work plan, remain unchanged. The municipal members appoint the Transportation Advisory Committee representatives who can be municipal directors, development directors, or any interested citizen the municipality chooses to appoint.

The Consolidation Committee agreed that the proposed bylaws and committees had these benefits:

1. No funding sources are “at-risk.” It was found that the new organization will be able to maintain all funding opportunities currently available.
2. No legislative changes are necessary to merge the organizations.
3. The combined entity provides the statutory functions required of the Regional Planning Commission.
4. Voting on Regional Planning Commission statutory functions, such as regional and municipal plan approvals, is the responsibility of the municipal directors.
5. Allows for effective participation of all members towards achieving the purpose and mission of the CVRC.

The by-laws were crafted to create an entity that benefits from both organizations' strengths, while providing the flexibility needed to adapt to unforeseen circumstances.

7. Budget Analysis

Attached to this summary please find a two page spread sheet which represents an estimate and projection of the income statement for the combined Central Vermont Regional Commission. (CVRC) At this time, we have not developed a balance sheet reflecting the merging of organizational assets. The merged balance sheet will be developed as the merger process moves forward.

The FY 13 column on the attached spread sheet represents the combined approved budgets of both organizations with one important exception. The personnel cost and associated benefits and taxes are based on a staffing model developed by the merger committee. The number of positions is the same as the current staffing in both organizations. The rent for FY 13 is the sum of the two current leases. Future years are estimated based on a single office for the merged organization. The income and expense numbers for FY 14, 15, and 16 represent estimates based on our best information at this time. It is important to note that while the expense numbers should be a fairly close projection, the grant income numbers are a very rough and conservative estimate. It is impossible to know what grants will be available in future years. Grant income is currently 55% of the combined organizational income. If additional grants are received, expenses, principally personnel cost, may need to increase as well. It is hoped that over time the combined organization will be able to operate in a way that generates additional operating savings as well as better coordinated services to our members.

Budget/Finances

FY13	FY 14	FY 15	FY 16
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Income					
	Property Transfer tax	233,433.00	\$240,435.00	247,649.00	\$255,078.00
	Town Dues	86,536.00	\$76,536.00	80,286.00	\$86,536.00
	Brownfields Grants	33,450.00	\$35,000.00	35,000.00	\$35,000.00
	Transportation Planning	193,925.00	\$207,500.00	222,025.00	\$237,566.00
	Energy/ ARRA all Grants	105,800.00	\$113,206.00	121,130.00	\$129,609.00
	Other Grants	55,450.00	\$59,331.00	63,485.00	\$67,929.00
	Other Income	34,700.00	\$35,000.00	35,000.00	\$35,000.00
	Membership Dues	29,000.00	\$27,000.00	28,000.00	\$29,000.00
	State Development Grant	92,464.47	\$93,000.00	94,000.00	\$95,000.00
	SBDC Grant	18,000.00	\$18,000.00	18,000.00	\$18,000.00
	Interest Income	750.00	\$800.00	850.00	\$900.00
	CVIC	500.00	\$0.00	0.00	\$0.00
	Annual Meeting	9,000.00	\$9,000.00	9,000.00	\$9,000.00
	Event Income	7,000.00	\$7,000.00	7,000.00	\$7,000.00
	CVEDC Mngmt Fee	5,100.00	\$0.00	0.00	\$0.00
	Central VT WIB Grant	11,965.00	\$5,000.00	5,000.00	\$5,000.00
	TIPS Grant	4,500.00	\$0.00	0.00	\$0.00
Total Income		921,573.47	\$926,808.00	966,425.00	\$1,010,618.00
Expense					
	Transportation Planning	63,500.00	\$63,500.00	63,500.00	\$63,500.00
	Brown fields grant	28,450.00	\$28,450.00	28,450.00	\$28,450.00
	Energy Grants	102,800.00	\$102,800.00	102,800.00	\$102,800.00
	Misc expense	72,232.00	\$73,500.00	74,000.00	\$74,500.00
	5004 · Sponsors	350.00	\$500.00	500.00	\$500.00
	Temp Office Assistant/ Intern	2,000.00	\$0.00	0.00	\$0.00
	5010 · Salaries & Wages	455,000.71	\$464,100.00	473,382.00	\$482,849.00
	5013 · Payroll & Taxes	34,807.19	\$35,503.00	32,389.00	\$33,360.00
	5015 · Employee Benefits	87,023.00	\$75,000.00	70,000.00	\$73,500.00
	5017 · HR Payroll Services	600.00	\$600.00	600.00	\$600.00
	5020 · Travel & Meals	2,000.00	\$2,100.00	2,200.00	\$2,300.00
	5021 · Auto Expense & Lease	4,500.00	\$4,500.00	4,500.00	\$4,500.00
	5025 · Conferences & Meetings	800.00	\$850.00	900.00	\$950.00
	5028 · Annual Meeting Expense	3,000.00	\$3,000.00	3,000.00	\$3,000.00
	5029 · Event Expense	4,000.00	\$4,000.00	4,000.00	\$4,000.00
	5030 · Rent	47,498.00	\$39,750.00	41,059.00	\$43,310.00
	5033 · Education	500.00	\$750.00	1,000.00	\$1,250.00
	5035 · Equipment & Furn. Purchases	500.00	\$3,000.00	500.00	\$500.00
	5040 · Equipment Maint.	500.00	\$500.00	500.00	\$500.00
	5045 · Office Supplies	2,500.00	\$2,400.00	2,350.00	\$2,300.00
	5050 · Postage	1,500.00	\$1,600.00	1,700.00	\$1,800.00
	5055 · Printing	750.00	\$500.00	500.00	\$500.00

	5060 · Telephone	7,740.00	\$3,000.00	3,000.00	\$3,000.00
	5065 · Dues & Subs	3,500.00	\$3,500.00	3,500.00	\$3,500.00
	5075 · Audit	5,000.00	\$5,000.00	5,000.00	\$5,000.00
	5085 · Insurance	7,050.00	\$7,500.00	7,500.00	\$7,500.00
	5099 · Legal & Professional	1,000.00	\$1,000.00	1,000.00	\$1,000.00
Total Expense		939,100.90	\$926,903.00	927,830.00	\$944,969.00
		-17,527.43	-\$95.00	38,595.00	\$65,649.00

The employee costs described in the FY 13 budget are the sum of the CVRPC and CVEDC FY 13 proposed budgets. When creating the organizational structure for CVRC, the committee determined that there should be one executive director (ED). That individual would need to have a skill set, knowledge base and background that includes, at a minimum, at least some exposure to and experience with both planning and economic development. The ED will be responsible for representing planning and economic development programs, concerns, and issues in front of the members, the Legislature, other stakeholders, and the general public – the ED will be the public persona of the Commission.

The vision is that the staff structure will begin with positions very similar to those currently existing at both organizations. Once the ED has been hired, the executive committee will, depending on the strengths of the ED, determine if any adjustments to that staff should occur. The ED will be responsible for hiring the CVRC staff with oversight by the executive committee.

8. Next Steps

To effectuate a merger of the two organizations, the Committee suggests the following next steps:

1. Both organizations approve a merger in principle and authorize their executive committees to finalize details which should be memorialized in an Agreement of Merger. The Agreement would address:
 - a. Where the CVRC would be located

- b. How CVRC would be staffed
 - c. How the Executive Director of CVRC would be chosen
 - d. Specifically how the assets of the two organizations would be merged
 - e. What is the proposed timetable for merger
- 2. CVEDC members would then need to approve the merger
- 3. CVRPC directors would then need to amend its bylaws
- 4. The two organizations would merge.

9. Appendices

Appendix A

Members of the Joint Committee on Consolidation

Representing Central Vermont Regional Planning Commission:

Gunner McCain of Waterbury, Committee Chair

Owner/President, McCain Consulting, Inc. (Civil Engineering, Surveying, Land Use Planning and Permitting)

Waterbury's representative on CVRPC since 1994, 4 terms as chair

Resident of Central Vermont since 1970

Appointment pending to ANR Technical Advisory Committee, 2013

Chairman, Central Vermont Cooperative, 1997 – 2011

Central Vermont Chamber of Commerce Board of Directors, 2010-2011

Member, ANR On-Site Sewage Committee, 1994-1996

Member, Waterbury Planning Commission 1994-1996

Stephen Fitzhugh, Northfield

Associate Professor of Electrical and Computer Engineering, Norwich University, Northfield

Former alternate representative to the CVRPC (2007-2012)

Moved to Central Vermont in 2002

Practiced electrical engineering for 25 years before joining Norwich University in 2002

Member Northfield Joint Planning Commission, 2004 - Chair 2006

Member Village of Northfield Board of Trustees

Mike Miller, City of Barre

Planning Director, City of Barre

CVRPC representative (2011-) CVRPC Executive Committee (2012-)

MS in Natural Resource Planning from UVM. Professional planner in Vermont since 2000; Worked for two regional planning commissions, self-employed consultant, private non-profits, and the City of Barre; Certified by the American Institute of Certified Planners and a Certified Floodplain Manager.

Member of the Johnson Planning Commission (1997-2000), Belvidere Planning Commission (2000-2004), Hardwick Planning Commission (2004-06). Employed by the City of Barre since 2008.

David Strong, Plainfield

Teacher, Community High School of Vermont, Barre Campus

CVRPC Commissioner since 2011

Raised in Illinois, visited Barre relatives in the summer, attended college in the Northeast, married and raised children in upstate New York, moved to Central Vermont in 2000. Member of the Plainfield Select Board for the past three years (currently chairperson). Former president and current board member, Plainfield Historical Society. Former commissioner, Central Vermont Solid Waste Management District. Board member, Central Vermont Arts, Plainfield. Secretary of the Barre Farmers' Market, Inc. and a member of the Plainfield Farmers' Market. A Vermont maple syrup producer since 1985.

Byron Atwood, Town of Barre

President and Owner, DMS Machining & Fabrication, Barre (1991 – Present)

Managing Partner, Eames Office LLC, Santa Monica, CA (2002 – Present)

Barre Town representative of CVRPC since 2009, Executive Committee and Treasurer

Born in Boston, moved to Central Vermont in 1991.

Raytheon Missile Systems Laboratories, Tewksbury, Ma. 1986-1991.

Board member of Central Vermont Chamber of Commerce (2013)
President and Board member, Eames Foundation, Pacific Palisades, CA (2004 – Present)

Representing Central Vermont Economic Development Corporation:

John H. “Josh” Fitzhugh, Berlin

President and CEO, Union Mutual of Vermont Companies, Montpelier
Former president and Board member of CVEDC since 1992
Raised in New York, moved to Central Vermont in 1980. Practiced law for 20 years before joining Union Mutual of Vermont in 2000.
Served as Counsel to Vermont governor, 1990-1992.
Chair, Berlin Board of Civil Authority and Board of Abatement. Former president and board member, Kellogg Hubbard Library and Vermont Mozart Festival. Member, Central Vermont Inns of Court.

Gregory D. Woodworth, Montpelier

Senior Vice President and General Counsel, National Life Group, Montpelier
Board member of CVEDC since 2012
Born in Middlebury, VT, raised in upstate New York, graduate of Middlebury College and Boston University School of Law. Prior to joining National Life Group, practiced law for 11 years at Pierce Atwood, Portland, Maine; VP at UNUM; Corporate Vice President at MassMutual.
Board member, Middlebury College Alumni Association; Middlebury College alumni interviewer

Ed Larson, Montpelier

Executive Director, Barre Granite Association, Barre, VT
Board member of CVEDC since 1988, former Executive Committee member.
Obtained degree in Forest Management, Michigan Technological University. Worked in the lumber and forest industry sectors for over 30 years. Owned and operated a sawmill business in Cabot, VT mid-late eighties. Early nineties became a contract lobbyist for the Vermont Forest Products Association, Vermont Retired State Employees Assoc., Vermont State Grange, Current Use Tax Coalition and others. In 2011 became the trade association executive for the granite industry in Vermont.
Lives in Montpelier
Vice-President- Montpelier Housing Authority, President -Montpelier Housing Foundation, Treasurer -Vermont Traditions Coalition, Secretary of the Board - Vermont Granite Museum.
Former involvement: Past Commissioner on CVRPC for ten years representing Montpelier and its former Chair for two years. Past President of the Washington County Fair and Field Days for 16 years.

Carol Ellison, Barre

Real Estate Broker/Owner of Town & Country Associates, Realtors for 34 years. Merged with Heney Realtors in November of 2012. Past President of Vermont Association of REALTORS.
Past President and current Board Member of Central Vermont Economic Development Corp.
Vermont Native and resident of Barre since 1972.

Currently an Advisory Board member of Community National Bank. Member of Finance Committee of Barre Congregational Church. Past member of Central Vermont Chamber of Commerce Board of Directors and past Director of Barre Partnership.

Peter Hood, Middlesex

Retired President of Noyle W. Johnson Insurance Agency (1974-2011)

Chairman Town of Middlesex Select Board since 2006

President and Board Member CVEDC since 2005

President and Board Member Elm Hill, Inc. since 1976

Treasurer and Board Member Community Capital of Vermont since 2000

Born in Princeton, NJ, moved to Vermont in 1974 after Williams College and three years in the Army.

Appendix B

Proposed Bylaws of Central Vermont Regional Commission

Bylaws of the Central Vermont Regional Commission (Adopted this ____ day of _____, 2013)

Article I: Purpose and Mission

The purpose and mission of the Central Vermont Regional Commission is:

- To enhance the quality of life for the citizens of Central Vermont;
- To foster effective and informed local governance;
- To attract and retain quality jobs and businesses by means of planning and economic development.

Article II: Legal Bases

The legal bases for the Central Vermont Regional Commission include the laws set forth in 24 V.S.A. ch. 117, 10 V.S.A. ch. 12, and these bylaws.

Article III: Area Served

The area served by the Commission shall include all municipalities within Washington County, as well as the Towns of Orange, Washington and Williamstown in Orange County.

Article IV: Definitions

- “At Large Directors” are Members elected by the Membership to serve as Directors for a one-year-term.
- “Board of Directors” or “Board” is the Board of Directors of the Regional Commission.
- “Board Officers” include a Chair, 2 Vice-Chairs (one of whom is a Municipal Director and one a Development Director), a Secretary, and a Treasurer, all of whom shall be elected by the Board for a one-year term
- “Development Director” is a Director appointed by the Board’s Economic Development Committee.
- “Director” is a Director of the Board. It includes Municipal directors.
- “Dues” are the yearly fees, approved by the Board, to become a Member (other than a Municipal Member) of the Regional Commission. Municipal Members may also pay Dues (see Art XII).
- “Economic Development Performance Contract” is the annual contract between the Vermont Agency of Commerce and Community Development and the

Regional Commission regarding economic development activities as further defined in 24 V.S.A. ch. 76.

- “Members” include Municipal Members as well as others who pay Dues and are approved by the Board.
- “Membership” is all Members of the Regional Commission.
- “Municipal directors” are the duly appointed representatives of the Municipal Members. In the event a Municipal Director is unable to attend a meeting of the Regional Commission, or its Board of Directors or a Board committee, a duly appointed alternate to the Municipal Director may act as a Municipal Director at that meeting.
- “Municipal Members” are the 23 municipalities which are statutory members of the Central Vermont Regional Commission.
- “Regional Commission” or “Commission” is the Central Vermont Regional Commission, a regional planning commission created and existing pursuant to 24 V.S.A. ch. 117.
- “Regional Planning Performance Contract” is the annual contract between the Agency of Commerce and Community Development regarding regional planning services pursuant to 24 V.S.A. ch. 117.
- “Standing Committees” are committees of the Board named in these bylaws.
- “Municipal Plan” and “Regional Plan” are as defined in 24 V.S.A. ch. 117.

Article V: Powers and Duties

The powers and duties of the Commission shall include:

1. Promoting the mutual cooperation of the planning commissions of cooperating Municipal Members, and conferring and advising executive and legislative bodies and officials to promote coordinated development in the region.
2. Advising governing bodies with respect to public financing.
3. Providing technical assistance upon request of a Municipal Member in the preparation and maintenance of plans, studies and bylaws and in related implementation activities.
4. Cooperating with the planning, legislative or executive authorities of neighboring regions, counties or municipalities to promote coordination between the development in the region and adjoining or neighboring regions.
5. Preparing a regional plan and amending and improving the plan.

6. Undertaking studies and making recommendations on economic, industrial, commercial, and social development; land development; transportation; historic and scenic preservation; the conservation of energy; and the development of renewable energy resources.
7. Holding public meetings and hearings.
8. Obtaining from the departments and agencies of the state and of each municipality in the region such available information as relates to the work of the Regional Commission.
9. In the performance of its functions, entering upon land to make examinations and surveys.
10. Engaging staff and consultants to carry out its duties and powers.
11. Undertaking comprehensive planning, including related preliminary planning and engineering studies.
12. Administering economic development programs, with the cooperation of municipalities, for the appropriate improvement, protection and preservation of the region's resources.
13. Addressing issues of retention and expansion in the business community; assisting businesses interested in moving to Central Vermont; discussing issues of concern to the economic well-being of the region; representing the Regional Commission on the Workforce Development Board; oversight and/or participation in the Annual Career and Job Fair and oversight of the Business Workforce Surveys; assisting the 23 municipalities of the Regional Commission with issues of economic development; applying for and administering grants from USDA Rural Development and the Agency of Commerce and Community Development; assisting business with VEGI applications; working with businesses on site selection, permitting, workforce, transportation, and financing; serving as a conduit for state and federal funds to business; and such other duties as assigned by the General Membership.
14. Conducting studies and making recommendations on economic, industrial, and commercial development within the region.
15. Taking all steps necessary to apply for, obtain and comply with the Economic Development Performance Contract and the Regional Planning Performance Contract.
16. Carrying out all duties of a regional planning commission as per 24 V.S.A. ch. 117
17. Performing such other acts and functions as necessary or appropriate to fulfill the duties and obligations imposed by the law and these bylaws.

Article VI: The Regional Commission

1. The Regional Commission shall consist of Municipal Members and all other Members.
2. The Board of the Regional Commission shall consist of thirty-five (35) Members, including twenty-three (23) Municipal directors; nine (9) Development Directors; and three (3) At-Large Directors. The Board shall have five (5) Officers: a Chair, 2 Vice-Chairs (one of whom is a Municipal Director and one a Development Director), a Secretary, and a Treasurer, all of whom shall be elected by the Board for a one-year term.
3. Municipal directors.

Municipal directors shall be appointed by the legislative body of their respective Municipal Members, or elected by the voters, in accordance with the system adopted by each municipality. Municipal directors appointed by a legislative body serve at its pleasure, and may be removed upon a vote of a majority of the legislative body. No Municipal Director shall vote or serve on the Regional Commission until the appointment or election is certified to the Commission by the municipal clerk. The term of each Municipal Director is one year or until a successor is appointed or elected. Municipal directors may serve successive terms. Municipalities may also appoint or elect alternate Municipal directors, who shall serve in the absence of the Municipal Director. Alternate Municipal directors may not serve as Chair of any committee or as members of the Executive Committee. Municipal directors shall report the activities of the Regional Commission to the legislative body and the planning commission of their respective municipalities.

Article VII: Committees

Unless otherwise specified below, the Board shall elect members of the following committees annually. The Executive Committee shall appoint chairs of all committees unless otherwise stated below. The Board has the ultimate authority, by majority, to overrule any committee's decision, except as provided below. The standing committees shall include:

1. Nominating Committee. The Nominating Committee shall nominate (1) the Board Officers; (2) the At-Large Directors; and (3) the three additional Directors to the Executive Committee. The Nominating Committee shall consist of up to five members, one being the immediate past Board chair and one being the current Board chair. At least one member of the Nominating Committee shall be a Municipal Director and at least one shall be a Development Director. The Executive Committee shall appoint all the members of the Nominating Committee, save for the current and immediate past board chair.
2. Executive Committee. The Executive Committee shall make administrative and personnel decisions for the Regional Commission and such other decisions as designated by the Board. It may defer any decision to the Board, if in its judgment the matter is of such importance to the

Regional Commission's mission or fiscal integrity to merit deferral. The Executive Committee shall consist of the Board Officers and three other Directors nominated by the Nominating Committee and approved by the Board, at least one of whom shall be a Municipal Director and one of whom shall be a Development Director.

3. Regional Plan Committee. The Regional Plan Committee shall prepare, review and make recommendations on amendments to the Regional Plan, to be submitted to the Municipal directors for final approval. The majority of the Regional Plan Committee shall be Municipal directors with a minimum of seven and maximum of eleven committee members.

4. Municipal Plan Review Committee. The Municipal Plan Review Committee shall review Municipal Plans and make recommendations pursuant to 24 VSA ch. 117, and the committee's decisions shall be submitted to the Municipal directors for final approval. The Municipal Plan Review Committee shall consist of at least three Directors, two of whom are Municipal directors, and may be expanded to include representatives of adjacent municipalities and up to two other interested Members.

5. Project Review Committee. The Project Review Committee shall review development proposals pursuant to 10 V.S.A. ch. 151 and 30 V.S.A. ch. 5. The Project Review Committee shall consist of five Directors, and may be expanded to a maximum of nine Members on a case-by-case basis. The majority of the Project Review Committee shall be Municipal directors; at least one Member shall be a Development Director.

6. Economic Development Committee. The Economic Development Committee shall have a maximum of 35 members. The Economic Development Committee shall be self-perpetuating: it shall have the sole power and responsibility to fill all vacancies on the Economic Development Committee. The Economic Development Committee's duties shall include but not be limited to the following: appointing annually the nine Development Directors; and overseeing other economic development activity in the area served.

7. Brownfields Committee. The Brownfields Committee shall oversee the administration of any brownfield funds and/or brownfields projects. The Brownfield Committee shall have three members, at least two of whom shall be Directors.

8. Membership Committee. The Membership Committee shall recruit new Members of the Regional Commission, encourage the retention of existing Members, organize the Annual Meeting, and take responsibility for maintaining the vitality and energy of the Board. It shall have five Members appointed by the Board, at least one of whom is a Director.

9. Transportation Advisory Committee. The Transportation Advisory Committee ("TAC") shall review and recommend the work plan and transportation priority projects. It shall have twenty-three members, one from each Municipal Member.

10. Other Committees. The Board of Directors may establish other committees, after seeking the judgment of the Membership Committee on the need and mission of such other committees.

All other committees shall have a minimum of one member of the Economic Development Committee and one Municipal Director.

Article VIII. Voting and Quorum

1. On all matters other than the approval of the Regional Plan, Municipal Plans, or municipal planning processes, which are voted by Municipal Members, each Member of the Regional Commission shall have one vote on all motions, amendments, and procedural questions presented for decision. Unless otherwise provided in these Bylaws or required by law, a majority vote of those present is required for a motion to pass.
2. Except for a meeting of the Membership, a quorum shall consist of a majority of those appointed to serve on the Board or Committee which is meeting, or a majority of those charged with making a decision (for example, Municipal directors under Article VII (3) Regional Plan Committee). Tie votes constitute no action taken. A chair shall vote only to make or break a tie.
3. Election of Officers. Officers shall be elected annually at the first meeting of the Board following the Annual Meeting. Directors shall receive the recommendations of the Nominating Committee no later than 30 days prior to said meeting.

Article IX. Conflict of Interest

The Regional Commission shall establish policies regarding conflict of interest and code of conduct. Directors shall adhere to the Commission's policy on conflict of interest and code of conduct.

Article X. Meetings

1. Annual Meeting: There shall be meeting of the Membership of the Regional Commission in May of each year, with notice of the date, time and place provided to members at least 30 days in advance. Members as of the date the notice is sent, electronically or otherwise, shall be entitled to vote at the meeting. Proxies shall not be allowed save for those situations where proxies are specifically approved by the Board. The notice shall include the names of nominees for the At-Large Directors and such other business as the Board wishes to bring before the Membership. Additional nominations for the At-Large Directors may be made (a) by means of a petition signed by no less than 5% of the Members entitled to vote and (b) submitted to the Secretary of the Regional Commission no later than 15 days in advance of the meeting.
2. Regular meetings of the Board shall be held as prescribed by the Executive Committee. Meetings shall be called by the Chair with no less than five days' notice. Notice shall also be sent to each municipal planning commission, legislative body, and municipal planner within the region. There shall be no less than six (6) Board meetings a year.

3. The Secretary shall keep minutes of all Regional Commission meetings.
4. Committee meetings shall be called by the committee Chair with at least two days' notice. Executive Committee meetings may be scheduled by the Executive Committee Chair on less than two days' notice if requested by two or more Executive Committee members.
5. Notice. Notice shall be given by regular US mail, email or fax to the address of the Member as found in the records of the Regional Commission.
6. Telephonic meetings. Provided all participants can hear and participate, Board and Committee meetings may be held via telephone.
7. Unanimous Written Consent. Any action to be taken by the Board or a Committee may be taken by unanimous written consent of the members of such Board or Committee.

Article XI. Executive Director

The Board shall appoint an Executive Director after recommendation from the Executive Committee. The Executive Director shall have general responsibility for the day-to-day operation of the Commission and its staff. The Executive Director shall also prepare the annual budget for approval by the Board and shall be responsible for keeping expenditures and commitments within authorized appropriations and allocations. The Executive Director shall, with Executive Committee approval, appoint all staff, prepare progress and financial reports as directed by the Executive Committee, and have custody of all Commission records. The Executive Director shall prepare the annual report of the Regional Commission, subject to the Board's approval. The Executive Director shall prepare the Work Plan, Regional Planning Performance Contract and the Economic Development Performance Contract, and each shall also be approved by the Executive Committee before June 1 of each year. The Executive Director shall report to the Executive Committee, and shall perform such duties as assigned by the Executive Committee or by the Board.

Article XII. Finances

The Commission may receive and expend funds from any legal source.

The fiscal year of the Commission shall run from July 1 to June 30.

All contracts, checks, orders and other instruments requiring the signature of the Commission shall be signed in the name of the Commission by such officer as the Board or Executive Committee shall designate.

Dues shall be set in accordance with a schedule and rate established by the Board. The Executive Director shall notify municipalities and other Members of their respective Dues annually before November 15. Municipalities appropriate funds to pay such Dues, but membership on the Commission shall not depend on payment of Dues by the municipality. The Executive Director may prioritize and schedule delivery of services to municipalities based on payment of Dues.

Article XIII. Indemnification

The Commission shall indemnify and hold harmless any Director or Officer, or former Director or Officer of the Commission, against expenses actually and reasonably incurred by such Director or Officer in connection with the defense of any action, suit, or proceeding, civil or criminal, in which such Director or Officer is made party by reason of being or having been such Director or Officer, except in relation to matters in which such Director or Officer shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or misconduct in the performance of his or her duty to the Commission, and for any such additional indemnification as may be covered by a policy of insurance issued to the Commission and permitted by law, or which shall be enacted by resolution and adopted after notice to the members of the Commission entitled to vote. Nothing in this indemnification is intended to decrease the immunity from liability provided by Vermont law.

Article XIV. Amendments

Amendments to these bylaws shall be proposed by the Executive Committee to the Board at any regular meeting after having at least thirty days' notice of the proposals to the Board and a meeting dedicated to discussing the amendments. Such amendments shall be adopted upon a vote of two-thirds of the Directors present (so long as a quorum is present), provided that no less than thirty days' notice of a proposed bylaw amendment is provided. No amendment affecting membership of the Economic Development Committee or its participation on the Board or Committees of the Commission shall be adopted without the approval of the Economic Development Committee.

Appendix C

Statement of the Joint Committee on Consolidation member David Strong

I appreciate having been appointed as one of five representatives of the Central Vermont Regional Planning Commission to the Joint Committee on Consolidation and have enjoyed serving on the committee and contributing as best I could to its research and deliberations. As readers of its report can

tell, the committee was diligent and focused. It has worked out the details of a design for what is likely the best possible arrangement for an organization that combines the functions and responsibilities of a pre-existing RPC and a pre-existing EDC. For this it should be highly commended.

However, after carefully weighing the pros and cons, I am unable to join those who recommend proceeding with the merger of these two organizations into a single entity, as proposed, for I find no compelling reason for undertaking the drastic steps that it requires; namely, the dissolution of the Central Vermont Economic Development Corporation and the dilution of municipal control over the direction and operation of the Central Vermont Regional Planning Commission. Moreover, I suspect that the practical outcome may be unsatisfactory to everyone involved. I am personally concerned that the restructuring of the CVRPC may negatively impact on the range and quality of services currently available to municipal members and, if I were on the board or a member of the CVEDC, I would have a similar concern.

Contrary to the claims of supporters, merger of these two regional, public purpose organizations will do little, if anything, to make up for the lack of vision and balance in the allocation of resources for economic development statewide; only a state organization with a mandate to do so has the scale and capacity to accomplish that worthwhile goal. Thus, if reducing the disparity in job growth between different regions of the state is the major reason for merging development and planning functions at a regional level, in my view, this is a false hope which sets the stage for future conflict and disappointment, not to mention the loss of good will that has been established between individual members of our respective organizations.

Speaking as a representative of the Central Vermont Regional Planning Commission, I am apprehensive that adoption of the committee's recommendations would mean a loss of control over regional planning functions and services by member towns. Where twenty-three municipal delegates now have exclusive responsibility for program and personnel oversight of Central Vermont's regional planning agency, under the changes that have been recommended, those municipalities would have to contend with nine Development Directors and three At-Large Directors, none of whom are accountable to the member towns, for the allocation of the organization's resources and staff.

Under the proposed consolidation arrangement, a self-perpetuating committee, the Development Committee, would control 25% of the directorship of the new organization. That committee will be meeting independently of the Commission and will have an opportunity to develop a unified position on various issues, potentially resulting in Development Directors becoming a voting bloc which could readily outmaneuver individual municipalities.

By a wide majority, the municipalities served by the CVRPC are rural in nature and face a wide array of planning issues. These relate to open space, municipal facilities, wildlife, and farmland protection, as well as development. Most CVRPC members do not have planning departments and rely on the planning services and information available through the CVRPC. Any change that might diminish the responsiveness of the CVRPC to the needs of its member towns is cause for concern, as is the potential shift away from broad-based planning for environmental conservation and human needs to one focused primarily on development.

I have been the Town of Plainfield's representative to the Central Vermont Regional Planning Commission for two years and, as a result, I have some first-hand knowledge of the effectiveness of that

organization. My experience is that, by and large, towns receive as much assistance as they request from the CVRPC. In the last year or two, the Town of Plainfield has received: an energy conservation grant for our town hall, enhanced consultations for our new Town Plan, a grant to do a traffic calming study, assistance with an RFP for a sidewalk study, endorsement of a major intersection improvement, and more. I'm sure other towns, particularly those that are active on the Commission, have received significant benefits, as well.

I do not believe that the impacts of the structural changes that have been proposed have been adequately considered. A 35-member commission is unwieldy. Instead of 23 members of which 15-17 attend at any time, there could be 30 people in attendance at any given meeting (particularly if, as has been suggested, the expanded regional commission is "re-energized"). Deliberations at such meetings could take twice as long as they do now.

Large size may have the unintended consequence of reducing participation and debate (in the interest of ending the meeting at a reasonable hour) or result in lengthy meetings that wind up discouraging participation by people - particularly those who are not there representing themselves or to advance their interests but are fulfilling a civic duty. This may be the reason why only 1/2 of the directors of the Northeastern Vermont Development Corporation (NVDA) (the organization that is cited as a model by merger supporters) are in attendance, on average, at quarterly NVDA Board of Directors' meetings. [Note: This is based on a tally I made from NVDA Board of Directors meeting minutes for 2012.]

While it is true that attendance by commissioners is fair to poor, that may not be a symptom of a problem but of an underlying strength for, as those of us in Town government know, it takes a crisis or a controversy to bring the public out to meetings; if things seem to be going well, people prefer to stay at home. (One test of this hypothesis will be whether or not the proposal to re-organize the CVRPC triggers increased participation.) In my view, it's not the fault of the CVRPC that some towns don't have representation and don't take full advantage of the services it has to offer; rather, it's a function of the attitude and initiative of the elected leaders of each member town.

Finally, I don't believe that a case has been made that future cost-savings can be counted on; in fact, the merged organizations would face the loss of \$14,000 in annual revenue that currently flows into the EDC from town appropriations, at the same time as it absorbs 100% of EDC staff and functions.

One of the positive things that has emerged from our year-long study of our two organizations has been an increase in mutual understanding and respect for what each organization does. This will make it easier for the laudable goal of better coordination between development and planning on a regional level to be accomplished in other, much less invasive ways than by bodily transplanting the functions of the CVEDC into the Central Vermont Regional Planning Commission. For starters, the CVRPC should take steps to insure that its staff attends meetings of the Central Vermont EDC, just as the CVEDC now sits in on CVRPC meetings regularly. On a broader, policy level, the CVRPC should decide to formulate a more comprehensive economic development element for the region as part of its Regional Plan and to collaborate closely with the CVEDC on this. In addition, the CVRPC's Act 250/Section 248 Project Review Committee should convene on a regular, monthly basis to discuss potential developments of regional significance and should be expanded to include members of the CVEDC.

For all of these reasons, I urge my fellow members of the Committee on Consolidation to endorse the specific steps outlined above to expand the level of coordination between the CVRPC and the CVEDC to advance planning and appropriate economic development in our region, and also, for the reasons outlined above, to reject the recommendations that the draft "Bylaws of the Central Vermont Regional Commission" be adopted by the Central Vermont Regional Planning Commission and that the Central Vermont Economic Development Corporation dissolve.

Appendix D

October 16, 2012

To: Josh Fitzhugh, et al.

From: Paul Gillies

RE: Ideas on the merger of CVRPC and CVEDC, Second Draft

Here are some reflections on the process, as I've worked around the issues you presented to me. Incomparable help was given me by John Kessler and Julie Kelliher of the Agency of Commerce and Community Development.

1. How it can be done. No legislation is required. You can merge into one corporate unit, without risking loss of funding through the Agency of Commerce and Community Development and the Department of Economic, Housing and Community Development. The Secretary of the CCD must approve the merger. All of the paperwork will need to be completed to provide the Secretary with the necessary background on which to approve the plan, short of filing any incorporation with the Secretary of State.

2. Choices of forms of organization. CVRPC is a political subdivision of the State of Vermont. CVEDC is a nonprofit corporation, established pursuant to statute, best defined as a quasi-governmental corporation. Whether the new entity should be a corporation or not is the first question. There is no legal reason why all of the functions of the CVEDC cannot be performed by an enhanced CVRPC. The question is whether there is any need to continue to respect the corporate form at all.

The principal reason to incorporate is to ensure limited liability for directors, and to provide a framework for the delivery of commissioners directors enjoy sovereign immunity to the extent that they are acting within their authority, and the commission form can be organized according to the needs of the participants.

If this is the way to proceed, CVEDC should dissolve, and convey its assets to the new entity. A resolution of the board is required, and a vote of more than two-thirds of its board, adopting a plan of dissolution. Formal merger can occur only with other corporations, but this would constitute de facto merger. The resolution might be worded this way:

Resolved, by the Board of Trustees of the CVEDC, this ____ day of _____, 2012, to dissolve the corporation and convey all its assets and liabilities to the Central Vermont Regional Commission, pursuant to the plan of merger.

NVDA is actually NVDA, Inc. It was incorporated in 1989 as a nonprofit corporation. I have not been able to discern the reason for incorporation, although perhaps at the time the state law was not as flexible as it is today, when a regional commission can perform any economic development enterprises within the regional commission framework. A corporation form can be more cumbersome than a pure political subdivision, if only because a different title of Vermont Statutes is involved.

3. What CVRPC should do. The Commission would make a resolution similar to this:

Resolved, by the Central Vermont Regional Commission, this ____ day of _____, 2012, to accept all assets and liabilities of the Central Vermont Economic Development

Corporation, subject to the plan of reorganization; reorganize as the “Central Vermont Regional Commission”; and adopt new bylaws in place of the existing bylaws.

If that sounds too easy, it is, because of the “plan of organization” that will be required. Every detail needs to be worked out in advance, in far greater detail than I can adequately recite here, but including the necessary changes in deeds, leases, checking and savings accounts, tax filings, and a final audit of the CVEDC, to close its books before it merges into the CVRC.

4. What’s your name? John Kessler suggests “The Central Vermont Regional Commission.” Borrowing from our northeastern relative, it could be “The Central Vermont Development Authority.”

5. What’s Next? The development of a plan of merger is the next step. This is beyond my ability, and must involve the staffs of the CVEDC and the CVRPC. A thousand questions yet need to be answered. Once the plan is approved, the two organizations can merge, and the good work of both continue as one organization.